BILL ANALYSIS

Senate Research Center 87R18726 ANG-F

S.B. 2258 By: Springer Local Government 5/15/2021 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 2258 creates Clear Sky Municipal Utility District of Denton County (district). The district will encompass approximately 60 acres of land located within Denton County, Texas. The district is not located within the extraterritorial jurisdiction or corporate limits of any municipality. S.B. 2258 is a standard template bill and provides for water, sewer, drainage, and road facilities (facilities), which need to be secured because the land to be located within the district will be developed for residential purposes. S.B. 2258 follows the template in all regards. The district is created under Water Code provisions applicable to all water districts and to municipal utility districts and under constitutional provisions relating to conservation and reclamation districts. The district will have standard road powers and must comply with all applicable road standards. The district will have the authority to issue tax-exempt bonds to purchase, acquire, or construct the facilities. It is also necessary to empower the district with authority to impose a tax and to grant the district a limited power of eminent domain. The bill provides for the creation, administration, powers, duties, operation, and financing of the district.

As proposed, S.B. 2258 amends current law relating to the creation of the Clear Sky Municipal Utility District of Denton County, grants a limited power of eminent domain, provides authority to issue bonds, and provides authority to impose assessments, fees, and taxes.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 7948A, as follows:

CHAPTER 7948A. CLEAR SKY MUNICIPAL UTILITY DISTRICT OF DENTON COUNTY

Sets forth standard language for the creation of the Clear Sky Municipal Utility District of Denton County (district). Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 7948A.0101-7948A.0106);

Size, composition, election, and terms of the board of directors of the district (Sections 7948A.0201-7948A.0202);

Powers and duties of the district (Sections 7948A.0301-7948A.0305); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 7948A.0401-7948A.0503).

SECTION 2. Sets forth the initial boundaries of the district.

SECTION 3. Provides that all requirements of the constitution and the laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 4. (a) Provides that if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7948A, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7948A.0306 to read as follows:

Sec. 7948A.0306. NO EMINENT DOMAIN POWER. Prohibits the district from exercising the power of eminent domain.

(b) Provides that this section is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

SECTION 5. Effective date: September 1, 2021.